

Initiative Name:**Grow Michigan's Economy****Initiative Description:****Improve the State's Infrastructure for Entrepreneurship Advocacy and Support**

Michigan has made important strides toward building an agile infrastructure for supporting entrepreneurs and business creators in the state. There are many good examples upon which to build, such as the MEDC/Grow Michigan strategy which focuses on corporate and university technology transfer and gap/seed funding for technology-based start-ups.

However, MDLEG must take additional steps in order to yield a deeper and wider scope of impact on the State's entrepreneurial climate.

Articulate State priorities in manufacturing, health care, life sciences, homeland security, and industries of regional importance.

Michigan must advance its position as a decision-center, research and development center, *and* advanced manufacturing production center within key industries of global reach. The Michigan Manufacturing Summit held in December 2003 highlighted several areas of consensus on actions that the State can take to improve the business environment and improve the competitiveness of manufacturing. MDLEG's workforce policies aim to support the ideas generated at the Summit and contribute to the creation of jobs and healthy companies in the state of Michigan, in manufacturing and other important industries such as health care, life sciences and homeland security. A primary goal is to enhance the productivity and competitiveness of Michigan's businesses. The result will be companies that are more profitable and offer more rewarding, better paying employment opportunities to a wider segment of Michigan's citizens.

Foster the Development of Regional Skill Alliances: The purpose of regional skill alliances (RSA) is to provide a coherent method for addressing local employer concerns about worker shortages, skill shortages, training mismatches, and other workforce challenges. RSAs provide an effective solution to address *systemic* and *structural* problems by working at a multi-firm, industry-based level. Being regional in nature, RSAs reflect the labor market – clusters of firms draw on a regional labor pool, and individuals live and work in a region that provides economic opportunity. Employers who participate in such alliances tend to see the business climate as friendly and supportive, an important consideration in location decisions. Firms that continually upgrade the skills of their employees are more likely to remain competitive and healthy than those that do not. As industries in a region prosper, they tend to attract suppliers who benefit from the proximity to their customers and similar businesses that benefit from the availability of skilled workers.

MDLEG intends to stimulate and support the development of regional skill alliances. Where alliances already exist, support will be provided to expand or improve them. Where alliances are needed, MDLEG's support will help to spur their development.

Expected Outcomes:

Administration Goals Attained:

- Communicate entrepreneurship concept.
- Improve/change technology transfer policies at universities.
- Increase use of the Michigan Small Business Technology Development Centers (SBTDCs) and Small Business Administration lending tools
- Develop a State's entrepreneurship agenda.
- Encourage schools and school districts to offer entrepreneurship curricula.
- Increase self-employment assistance options for individuals with disabilities, dislocated workers, and low-income workers.
- Integrate the Michigan Manufacturing Technology Center (MMTC) into the State manufacturing focused policies.
- Develop single policy for incumbent workers training programs.
- Improve ability of community colleges, economic development agencies, workforce boards, and service centers to work with business.
- Increase Michigan's use of federal funds to support manufacturing.
- Create coordinated workforce development strategies for health care, life sciences, and homeland security firms, and other key industry sectors and clusters (pharmaceuticals, new energy, furniture).
- Develop regional skill alliances to assist employers with workforce related issues.

Other Benefits and Outcomes:

Progress to date:

- Planning for 4 training sessions for staff of community colleges, economic development agencies, workforce boards, and service centers is being planned. The CS Mott Foundation will provide a grant to support this training.
- The RFP for MiRSA's was issued on May 13.
- Regional sessions are being held for prospective applicants for the new Regional Skill Alliances; over 200 people have attended them.